GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:2752
ANSWERED ON:01.08.2017
Pilot Project for DBT
Reddy Shri Konda Vishweshwar

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a)whether the Government has conducted any pilot project for implementation of Direct Benefit Transfer (DBT) mechanism to disburse fertilizer subsidy;

(b)if so, the details and status thereof;

(c)The details of the mechanism/process starting from identification of beneficiaries/farmers till disbursement employed by the Government to conduct its pilot program; and

(d)The details of the expected benefits of employing DBT for fertilizer subsidy across the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT & HIGHWAYS SHIPPING AND CHEMICALS & FERTILIZERS

(SHRI MANSUKH L. MANDAVIYA)

(a) to (c): Yes, Madam. In 2016-17, a pilot project on Direct Benefit Transfer (DBT) of fertilizer subsidy has been introduced in 16 districts. Subsequently, the pilot has been extended to three more districts viz. Gorakhpur in Uttar Pradesh, Begusarai in Bihar and Dhanbad in Jharkhand. The status of implementation of the pilot DBT in the selected 19 districts is given in the Annexure.

Under the proposed fertilizer DBT system, 100% subsidy on various fertilizer grades shall be released to the fertilizer companies, on the basis of actual sales made by the retailers to the beneficiaries. Sale of all subsidised fertilizers to farmers/buyers will be made through Point of Sale (PoS) devices installed at each retailer shop and the beneficiaries will be identified through Aadhaar Card, KCC, Voter Identity Card etc.

(d):The expected benefits of the DBT System are as under:

i. Creation of Aadhaar seeded database of beneficiaries.

ii. Integration between Soil Health Card Data and DBT system would lead to optimal use of nutrients and subsidy savings.

iii. Linking of actual sales to subsidy payments will facilitate a more transparent and faster tracking of funds along the value chain i.e. from manufacturers to beneficiaries.

iv. Diversion of fertilizers is expected to be minimized.
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